

CORRECTED PAGE - JANUARY 12, 2006

filed by Associated Industries of Massachusetts (“AIM”), Direct Energy, NSTAR Electric, RESA, TransCanada, and Wal-Mart.

II. NSTAR ELECTRIC PROPOSAL

According to the Company, the proposed tariff revisions are designed to address load volatility relating to the practice of certain retail competitive suppliers switching large commercial and industrial (“C&I”) customers on and off of basic/default service multiple times within a short period of time (Exh. NSTAR-JGD-1, at 9-10). The Company contends that this practice has resulted in increased basic/default service prices for those customers that are unable to take advantage of multiple switching (id. at 3). The proposed tariff revisions prohibit customers taking basic/default service from returning to the same retail competitive supplier that previously served them for a period of six months from the effective date of the change from competitive generation service to basic/default service (id. at 9).¹

¹ The Company’s proposed tariff language is as follows:

The Company shall reasonably accommodate a change from Default Service or Generation Service to a new Competitive Supplier in accordance with the Terms and Conditions for Competitive Suppliers and shall accommodate a change to Default Service from Generation Service, provided, however, that when a Customer changes from a Competitive Supplier to Default Service, the Customer is not permitted to return to the same Competitive Supplier for a period of six (6) months from the effective date of the change. Customers are permitted to switch from Default Service to a different Competitive Supplier who has not supplied the Customer with Generation service in the same six (6) month period.

